

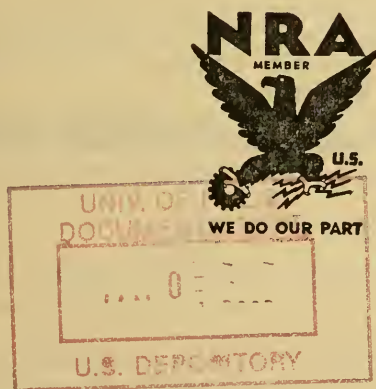
NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION

FOR THE

TICKET AND COUPON
MANUFACTURING INDUSTRY

AS SUBMITTED ON SEPTEMBER 6, 1933



The Code for the Ticket and Coupon Manufacturing Industry in its present form merely reflects the proposal of the above-mentioned industry, and *none of the provisions contained therein are to be regarded as having received the approval of the National Recovery Administration as applying to this industry*

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933



SUBMITTED BY

AMERICAN AMUSEMENT TICKET MANUFACTURERS ASSOCIATION
(II)

CODE OF FAIR COMPETITION FOR THE TICKET AND COUPON MANUFACTURING INDUSTRY

SECTION I

In order to eliminate unfair competition in the ticket manufacturing industry, to eliminate unfair trade practices, to increase employment, to establish fair and adequate wages, to enlarge the purchasing power of persons related to this industry, to improve the standards of labor, to protect the consuming public from excessive prices, and to accomplish and effectuate the policies set forth in the National Industrial Recovery Act, this code of fair competition governing the ticket manufacturing industry is adopted.

SECTION II

Any person, partnership, or corporation, now or hereafter engaged in the manufacturing of tickets as herein defined, is eligible for membership in the American Ticket And Coupon Manufacturers Council.

All persons, partnerships, or corporations, now or hereafter engaged in the manufacturing of tickets as herein defined, shall be subject to the provisions of this code when adopted.

SECTION III—DEFINITIONS

The term "ticket and coupon manufacturing industry" shall include all manufacturers of any of the classes of tickets specified below:

- A. Manufacturers of amusement tickets.
- B. Manufacturers of clothing tickets.
- C. Manufacturers of coupon books.
- D. Manufacturers of electric railway and bus tickets.
- E. Manufacturers of meal tickets and checks.
- F. Manufacturers of steam railroad tickets.

The term "group" shall mean any of the divisions of the industry hereinbefore described.

The term "the President" shall mean the President of the United States.

The term "persons" shall mean natural persons, partnerships, and corporations.

The terms "member" and "manufacturer" shall mean any person, partnership, or corporation engaged in the manufacture of tickets.

The term "Association" shall mean the American Amusement Ticket Manufacturers Association.

The term "Council" shall mean the consolidated groups hereinbefore referred to, operating under the name "American Ticket And Coupon Manufacturers Council."

The term "Executive Committee" shall mean the Executive Committee of the American Amusement Ticket Manufacturers Association, or the Executive Committee of one of the groups above described.

The term "Board of Governors" shall mean the governing board of the American Ticket And Coupon Manufacturers Council.

The term "Chairman" shall mean the presiding officer of the Council at the time in office.

The term "Secretary" shall mean the Secretary of the Council at the time in office.

SECTION IV—ADMINISTRATION

Each of the groups of the industry as set forth in Section III hereof shall be governed, respectively, without interferences from the other groups of the industry by an Executive Committee consisting of no less than three members elected by each such group.

For the purposes of the administration of this code, and coordination and arbitration between the different groups of the industry, there shall be set up a council known as the "American Ticket And Coupon Manufacturers Council." The Council shall be governed by a Board of Governors selected from the several groups. Each group shall have not less than one representative on the Board of Governors and additional members not in excess of a total of three based on each million dollars or major fraction thereof, of dollar volume sold by that group in any one year. Each group shall elect the representatives to which it is entitled on the Board. The Board of Governors so elected to the Council shall choose from their number a Chairman and a Vice Chairman; also appoint a Secretary and a Treasurer who shall not be members of the industry. The offices of Secretary and Treasurer may be held by the same person. No one member shall be entitled to more than one representative on the Board, and no one person shall be the representative of more than one group on the Board.

Powers: Subject to the approval of the President, the Board of Governors shall have power:

1. To administer the provisions of this code.
2. To interpret and construe the provisions of this code from time to time.
3. To adopt rules and regulations for the enforcement thereof.
4. To entertain and hear complaints against any member arising out of any alleged violation of this code or of the National Industrial Recovery Act, and where such complaint cannot be disposed of amicably, to cause such complaint to be arbitrated as hereinafter provided.
5. To initiate proceedings before the appropriate Governmental agencies to prevent and/or punish violations of this code.
6. To obtain from time to time from each person in the industry specified reports in such form and containing such information as the Board of Governors may prescribe, in order that the President may be kept informed with respect to the observance or nonob-

servance of this code by persons to whom the same is applicable, and whether the industry is complying with the policy and provisions of the National Industrial Recovery Act. To this end the Board of Governors, through its accredited agent, who must be a cost accountant or a C.P.A., and who must not be a member of the industry, shall have access to all places of business maintained by any person to whom this code is applicable and may examine the cost-accounting methods used by such persons and may take such steps as they may deem advisable to effect such changes in cost-accounting methods and practices as shall place the business of any such person upon a fair competitive basis.

7. To prepare and recommend a uniform sales contract or order blank for the use of persons to whom this code is applicable.

8. To make such surveys and compile such reports by the Secretary or some accredited agent not a member of the industry, as they may deem proper and for the best interests of the industry, including recommendations for the betterment of the industry with a view to stabilization of prices and the prevention of sales below the reasonable cost of production.

9. To collect such statistics and trade information from persons in the industry as they may deem desirable, to be collected and compiled in the same manner as provided for in paragraph 8 hereof, for use by the Board of Governors when necessary.

10. The Board of Governors shall not require any information or data from members regarding trade secrets or name of customers of any member.

11. To consider proposals for amendments to this code, and upon approval by the groups to submit such proposals to the proper Federal Agency.

12. To cause such Bylaws to be adopted by the Council and/or from time to time amended as will conform to and carry out the purposes and intent of this code.

13. To appoint from time to time such committees as it shall deem necessary or proper in order to effectuate the purpose of the code.

14. The Secretary of the Council shall act as Secretary under the code. Under the direction of the Board of Governors, he shall keep all books and records under the code and, except as the Board of Governors shall otherwise provide, shall collect, file, and collate all statistics and other information required by the Board of Governors for the proper administration of the code.

15. The expenses of administering the code shall be borne by the members thereof. The Board of Governors may from time to time make such equitable assessments on account of such expenses against the members of the code as it shall deem proper, and such assessments shall be payable as such Board shall specify.

SECTION V—MINIMUM WAGES—HOURS OF LABOR

The wage scale in the ticket and coupon manufacturing industry has been substantially higher than that prevailing in many other industries. A large percentage of its employees are specially trained mechanics. Since the beginning of the present depression and the consequent reduction in the total number of hours of work available in the industry, its members have made every effort to distribute

the hours of work available in their plants so as to give employment to the maximum number of employees. It is the intention of the industry to continue that policy insofar as practicable, to the end that the policy of Title I of the National Industrial Recovery Act may be effectuated, and that work in the industry shall insofar as practicable be distributed so as to provide employment for the employees normally attached to the industry.

(a) As required by Section 7 (A) of Title I of the National Industrial Recovery Act, the following provisions are conditions of this code:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

"(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

"(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President."

(4) It is clearly understood that the foregoing paragraphs shall not impair in any particular the constitutional rights of the employee and employer to bargain individually or collectively as may be mutually satisfactory to them; nor shall it impair the joint right of employer and employee to operate an open shop.

(5) Nothing in this code is to prevent the selection, retention, and advancement of employees on the basis of their individual merit, without regard to their affiliation or nonaffiliation with any labor organization.

A. Working Hours.—To effectuate the policy of this Code of Fair Competition, maximum hours of labor shall be uniform for the whole country. Standard Working hours shall be 40 hours per week for all mechanical employees, including any proprietors, supervisors, and foremen when doing mechanical work. When necessary, overtime and extra shifts shall be permitted, provided that no mechanical employee shall work more than the maximum of 40 hours per week during the present emergency. It is not the intention of this paragraph to limit the number of days or shifts a plant may operate.

Users of tickets and coupons are constantly faced with the necessity of obtaining, at short notice, new supplies of tickets and coupons required by the regulations of the Interstate Commerce Commission, State Public Utility Commissions, and the Bureau of Internal Revenue. In many cases such tickets and coupons have prescribed dates printed on them and are valueless if not in the hands of the users prior to such dates. In cases of necessity arising from such emergencies or from the character of the work, or from the inability to obtain competent labor, permission may be granted by the Board of Governors, upon proper showing being made, to exceed the foregoing limitation, provided such permission shall be granted only upon such conditions imposed by the Board of Governors as will

make certain that no employee will work more than 1,040 hours in any six months.

B. Minimum Wages.—The minimum hourly wages for employees in the ticket and coupon manufacturing industry shall be 40¢ per hour for men, and 30¢ per hour for women, except learners and apprentices.

C. Employment of Minors.—Employment of minors under 16 years of age in mechanical production is entirely prohibited.

SECTION VI—MEMBERSHIP

1. Any ticket and coupon manufacturer may participate in this code and in any revisions or additions thereto and receive the benefits thereof by accepting the proper pro rata share of the cost and responsibility of creating and administering it, either by becoming a member of the American Ticket And Coupon Manufacturers Council, or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation of American Ticket And Coupon Manufacturers Council.

2. No person at the time of the filing of this code who is not a ticket or coupon manufacturer shall be permitted to engage in the manufacture of tickets or coupons unless and until such person receives permission to do so from the President.

SECTION VII—STATISTICS AND TRADE INFORMATION

In order to carry out the declared policy of the National Industrial Recovery Act, each person shall furnish such periodic reports as may be prescribed by the Board of Governors, in such form and substance as it may direct. The Board of Governors shall not require any information or data from members regarding trade secrets or names of customers of any member of the code.

SECTION VIII—COST ACCOUNTING

(a) Every ticket and coupon manufacturer shall maintain an approved cost finding system and approved accounting methods, which conform to the principles of and is at least detailed and complete as the standard and uniform method of costing and accounting to be formulated or approved by the Board of Governors with such variation therefrom as may be required by the individual conditions affecting any manufacturer.

(b) No ticket or coupon manufacturer shall sell or exchange any product of his manufacture at a price or upon such terms or conditions that will result in the customer paying for the goods received less than the cost to the seller determined in accordance with the uniform and standard methods of costing and accounting hereinbefore prescribed.

SECTION IX—PRICE SCHEDULES

It has been the general practice to sell manufactured tickets and coupons on the basis of net price lists, and fixed terms of payment which are distributed to the trade. Each manufacturer of such tickets and coupons shall within ten (10) days, after receiving notice

from the Secretary, file with the Secretary a net price list individually prepared by him showing his current prices, and terms of payments, and the Secretary shall immediately send copies thereof to all known ticket and coupon manufacturers of such specified product. Revised price lists may be filed from time to time thereafter with the Secretary by any manufacturer of such product to become effective upon a date specified by the Secretary and copies thereof with notice of the effective date specified shall be immediately sent to all known manufacturers of such product who thereupon may file, if they so desire, revisions of their price lists which shall become effective upon the date when the revised price list first filed shall go into effect.

SECTION X

The Board of Governors shall have power on its own initiative or on the complaint of any member of the code, to investigate any minimum price for any product shown in any list filed with the Secretary by any member of the code, and for the purpose of the investigation thereof to require such member to furnish such information concerning the cost of manufacturing such product as the Board of Governors shall deem necessary or proper for such purpose. If the Board of Governors after such investigation shall determine that such minimum price is an unfair price for such product, having regard to the cost of manufacturing such product, and that the maintenance of such unfair minimum price may result in unfair competition in the industry, the Board of Governors may require the member of the code that filed the list in which unfair minimum price is shown, to file a new list showing a fair minimum price for such product, which fair minimum price shall become effective immediately upon the filing of such list. If such member of the code shall not within ten days after notice to it of such determination by the Board of Governors, file a new list showing such fair minimum price for such product, the Board of Governors shall have power to fix a fair minimum price for such product, which fair minimum price, however, shall not be more than the minimum price of any other member of the code, at that time effective for such product, and in respect of which the Board of Governors shall not theretofore have begun an investigation or a complaint shall not have been made by any member of the code. When the decision of such Board fixing such fair minimum price shall have been filed with the Secretary and the Secretary shall have given notice thereof to such member, such fair minimum price shall be the minimum price of such member for such product, until it shall have been changed as in the code provided. A notice of all decisions of the Board of Governors under this Section, together with the reason therefor, shall be filed with the President.

SECTION XI—PRODUCTION

As the industry is now highly organized and overequipped, and with the view of properly serving the public needs, it is deemed necessary that prior to the installation of additional productive machinery by persons engaged in the ticket and coupon manufacturing industry, except for the replacement of similar equipment, shall

secure certificates from the National Administrator, upon recommendation of the group concerned, that such installation will be consistent with effectuating the policy of the National Industrial Recovery Act during the period of the emergency.

SECTION XII—CONTRACTS

With respect to contracts entered into by the ticket and coupon manufacturing industry, not containing a clause protecting the seller against increased costs arising out of compliance with the provisions of the National Industrial Recovery Act, and incompleting by the effective dates, it is equitable and consistent with the purpose of the Act that appropriate adjustments of such contracts shall be effected by arrangement between the parties to such contracts, or, failing which, by arbitration through the Board of Governors.

SECTION XIII—MONOPOLIES

No provision in this code shall be interpreted or applied in such a manner as to promote monopolies, permit or encourage unfair competition, eliminate or oppress small enterprises, or discriminate against small enterprises.

SECTION XIV—UNFAIR PRACTICES

For all purposes of the code the acts described in Schedule A annexed hereto shall constitute unfair practices. Such unfair practices shall be deemed to be unfair methods of competition in commerce within the meaning of the Federal Trade Commission Act as amended, and the using or employing of any of them shall be deemed to be a violation of the code, and any member of the industry which shall directly, or indirectly through any officer, employee, agent, or representative, knowingly use or employ any of such unfair practices shall be guilty of a violation of the code.

SECTION XV—ARBITRATION

Any and all complaints, differences, controversies, or questions arising under or out of this code or concerning the interpretation or application of any provision thereof, or arising between the different groups of the industry, shall be referred to the Board of Governors for settlement under such rules as it may establish.

SECTION XVI

This code and all provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Clause 10 (A) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this code or any conditions imposed by him upon his approval thereof.

SECTION XVII

Such of the provisions of this code as are not required to be included therein by the National Industrial Recovery Act may, upon recommendation of the Board of Governors of the American Ticket and Coupon Manufacturers Council and with the approval of the President, be modified or eliminated as changes in circumstances or experiences may indicate. They shall remain in effect unless and until so modified or eliminated or until the expiration of the Act.

SCHEDULE A

LIST OF UNFAIR PRACTICES

For all purposes of the Code the following described acts shall constitute unfair practices:

A. Inducing or attempting to induce the breach of a contract between a competitor and his customer during the term of such contract.

B. The defamation of a competitor by words or acts which untruthfully call in question his business integrity, his ability to perform his contracts, his credit standing, or the grade, quality, accuracy, or service of his goods.

C. Interference with a competitor's business through the enticement of employees from his employment.

D. Any discrimination in the price of commodities of the same class (not including discrimination in price on account of the difference in the grade, quality, or quantity of the product sold), or discrimination in price in the same or different communities not made in good faith to meet competition, where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly.

E. The payment or allowance of secret rebates, bribes, refunds, credits, or unearned discounts, whether in the form of money or otherwise, or extending to certain purchasers special services or privileges not extended to all purchasers under like terms and conditions.

F. The circularization of threats of suit for infringement of patent or trade mark among customers of a competitor, not made in good faith, but for the purpose of harassing and intimidating customers.

G. The practice of accepting orders for large quantities and shipping in small quantities (known as split shipments) and billing such small quantities shipped at the large quantity price.

H. Contracts of sales which permit the buyer to cancel or provide for a reduced price in the event of a market decline, and which do not permit the seller to cancel or provide for an enhanced price in the event of a market rise.

I. Printing the names of nonmanufacturers on tickets, except when such nonmanufacturer is in fact the exclusive selling agency of a manufacturer or a recognized ticket manufacturer.

J. No manufacturer shall sell goods for resale to any dealer, jobber, or distributor who in turn resells such goods at less than said manufacturer's published price list.

Violation of the following provisions shall constitute unfair practices.

K. 1. *Quotations*.—All quotations are made for immediate acceptance and are subject to change without notice.

2. *Terms*.—Net, no cash discounts.

L. The Board of Governors is hereby authorized and empowered to cooperate with the President and to perform such acts as may be proper to put these provisions into effect.

UNIVERSITY OF FLORIDA



3 1262 08728 5663